

**SET UP TO FAIL: HOW BOSSES CREATE
THEIR OWN POOR PERFORMERS**

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96/90/AC/OB

(Revised version of 96/14/AC/OB)

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A working paper in the INSEAD Working Paper Series is intended as a means whereby a faculty researcher's thoughts and findings may be communicated to interested readers. The paper should be considered preliminary in nature and may require revision.

This version of the paper is intended for a practitioner audience.

Printed at INSEAD, Fontainebleau, France.

Set up to fail: How bosses create their own poor performers

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Abstract: This paper explores how managers behave differently towards perceived higher and lower performers - and how a manager's expectations of subordinate performance tend to get acted out by the subordinates. It focuses particularly on the way boss behavior towards "lower performers", while *intended* to increase performance, often ends up discouraging and alienating these subordinates. The boss and perceived lower performer become entrapped in a vicious circle which is costly for the bosses, the subordinates, team and the wider organization. The paper considers how to recognize such a dynamic and how to break out of the vicious circle.

Steve's story

Steve is a manufacturing supervisor for a Fortune 100 company. He comes across as highly motivated, energetic, and proactive. He is on top of his operation, monitoring problems and addressing them quickly. His boss expresses great confidence in him and rates his performance as "excellent". Due to these qualities Steve is chosen to lead a new production line, considered to be essential to the future of the plant.

A year later, Steve is less enthusiastic about his job; he almost looks depressed. He explains that he still loves the job itself, but his enthusiasm for it has been dampened by his relationship with Jeff, his new boss. Steve feels deprived of feedback and lacking in autonomy.

For his part, Jeff describes and rates Steve as rather passive compared to the other supervisors in the team. In particular, he feels that Steve is slow and inconsistent in following up on problems. To help Steve acquire discipline in problem-solving, Jeff asks him to examine more thoroughly the quality control rejections recorded in his department and to report the results back to him regularly.

Steve wonders why he should report to his boss on something that he does anyway. Partly through lack of time, partly to hold off what he regards as interference by his boss, Steve invests little time in reporting the content of his analyses. The delay and average quality of Steve's reports reinforces Jeff's suspicion that Steve is not very proactive. So he asks him again, this time more forcefully. For Steve, this merely confirms that Jeff does not trust him. He progressively withdraws from interaction. As Jeff continues to try to exercise greater control, he meets with increased passive resistance.

Like many managers, Jeff and Steve are locked in a negative performance spiral.

First impressions last

Steve's story is true. It illustrates that managers can unwittingly contribute to the deteriorating performance of competent subordinates, with what are intended to be corrective actions only serving to intensify the problem. This was not a case of Steve working successively for a supportive boss, then an uncaring boss. Steve's first boss had also experienced problems in relationships with subordinates he saw as lower performers. Conversely, Steve's new boss worked very well with the other managers whom he deemed "more proactive".

Slotting subordinates into performance-related sub-groups is a pervasive phenomenon. Most bosses do it more or less consciously, often quite early in the relationship. These mental maps guide the way bosses subsequently behave towards their subordinates.

For those perceived as 'better' performers this 'type-casting' can be very positive, with high expectations leading to higher performance. This self-reinforcing process is known as the 'Pygmalion' effect and was described in a classic HBR article by J. Sterling Livingston.¹ The real problem, which Livingston readily acknowledged in his 1988 commentary on the reprinted article, lies with those dubbed 'lower performers', that is, people whose overall performance exceeds minimum standards but is seen as below average. Once the perceived low performers start to pick up the signals of their lower status in relation to peers, they often become less committed and begin to show less initiative. In other words, they act out the expectations of their boss.

The consequences of this alienation are damaging for the subordinates in question, for the performance of the rest of the team, and insidiously for the wider organization. Moreover, in an environment where performance, learning and empowerment are increasingly required from all levels of management, this is an important issue for managers.

The right stuff

Numerous studies have shown that most managers (some studies claim up to 90 per cent) treat some subordinates as members of an "in-group" and consign others to an "out-group". Members of the "in-group" are the trusted collaborators and receive more autonomy, more feedback, more expressions of confidence and more considerate behavior on the part of the

¹ The Pygmalion effect describes the link between expectations by a "powerful other" (e.g., boss or teacher) and performance of the "subjects" (subordinates or pupils). The effect was first established in educational psychology by Rosenthal and Jacobson's (1968) experiment with preschoolers. Some teachers were led to believe that their pupils were relatively slow learners, other teachers that their pupils had excellent intellectual and learning ability. Pupils of the second group of teachers learned much faster. Eden (1990b) provides an exhaustive review of evidence on the Pygmalion effect, including his own work with the Israeli army.

boss. The boss-subordinate relationship is one of mutual trust and reciprocal influence. Members of the "out-group", on the other hand, are regarded more as "hired hands" and are managed in a more formal (less personal) way, with more emphasis on rules, policies and formal authority. There is evidence that managers tend to form these opinion very early in the relationship.²

Our study (see Appendix I) of 50 boss-subordinate pairings confirmed this 'categorization' on the part of bosses and addressed two important questions: What exactly are the differences in boss behavior towards higher and lower performers? And to what extent are these differences in behavior intentional? In order to help bosses send the right signals, we have to figure out what they are *actually doing* to communicate high or low expectations, and how much of it is deliberate.

Several unmistakable signs indicate (or sometimes betray) the boss's view of individual subordinates. These behaviors are best grouped under two headings: *independence given* and *way of communicating*. Inevitably the categories overlap to some extent, for the simple reason that the level of discretion allowed is, in part, explicitly communicated. Nevertheless, the separation is useful in exploring certain contrasts in boss behavior towards higher and lower performers.

Subtle declarations of independence

Bosses often do not spell out how much autonomy they are willing to accord individual subordinates. Subordinates learn how much discretion they can expect from the boss's actual involvement in formulating, implementing or correcting initiatives in their area.

The right to decide: the first signal of autonomy has to do with the possibility for subordinates to make or participate in decisions about their work. To what extent are operational decisions left in their hands? What demands or constraints are imposed on them and how much space does this leave for individual choice?

Perceived higher performers generally enjoy more say in decisions. Take for example, the four business managers reporting to a plant manager. The two top performers both highlighted the *latitude in decision making* that the plant manager was giving to them. They felt their boss gave equal weight to his and their points of view and interests. "He is very attentive to our input", one of them said. "He sets the goals and then lets us determine how to reach them".

² In the first major study in this field, Dansereau, Graen and Haga (1975) detected differences between the in-group and the out-group as early as one month into the superior-subordinate relationship. Liden and Graen (1980) and Bass & Stogdill (1990) review several studies with similar results.

This receptiveness to input did not appear to extend to the two "lower performing" subordinates. One of them complained: "He just never refers back to *my* proposal. We only talk about his." The inference was clear: *he does not find mine very good!* For these two managers, the boss often expressed strong preferences on how operational issues should be handled, sometimes even getting involved in routine operational decisions.

As they saw it, the boss generally tended to *impose* his solution in the case of disagreements and conflicts. "Imposing" does not necessarily imply heavy handed dictatorship; bosses have more subtle ways of using their influence or expertise to ensure that their approach prevails. For instance, rather than directing a subordinate to "Do it my way!", the boss may simply argue until the subordinate capitulates. Or else the boss may let the subordinate implement his or her own solution, but then give faint praise however successful the outcome. Subordinates quickly recognize that they will get more credit when they use the boss's ideas rather than their own.

When addressing perceived lower performers, bosses often dress up instructions as 'advice' in order to make a message more palatable. Yet the tenacity of the boss in pushing a particular 'suggestion' will make it clear to the subordinate what is expected. The boss says, "This is only a suggestion...". The boss means, "I would *really* like you to do this...". The subordinate understands, "Just do it!".

Freedom of action: at the implementation stage, subordinate independence will be signalled by the level of on-going monitoring and the tolerance for divergence from the plan.

Bosses typically give perceived higher performers more choice in how they go about achieving their goals. Rather than systematically checking-up on the subordinate, the boss may only intervene at the subordinate's request. As one manager confirmed: "I would invite the top performer to come and get me involved if he or she needs help instead of imposing myself. I think that if you have a good performer, you need to give that person a chance to succeed alone."

"Weaker performers" are generally given less freedom to manoeuvre. They report closer monitoring of their performance and swifter reactions to exceptions. A "weaker performer" who reports a problem may well find that the boss monitors the situation daily until the problem is resolved. In contrast, a "superior performer" with the same problem would agree on a solution and be encouraged to "Come back to me if you need me." The boss's next contact with the superior performer would be when the problem was resolved. In relative terms, the "lower performer" is set up for repeated failure, as acknowledged by one boss: "A higher and a lower performer may have failed by the same amount but because you monitor one every day, the lower performer receives 20 failed grades in a month, and the higher performer only one!"

Giving feedback: with respect to deviations from plan, be it budget or a deadline, bosses show greater readiness with "weaker performers" to focus on the *negative* rather than the *positive*. They also seem less open to circumstantial explanations for unfavorable results.

This selective emphasis on negative results is evident from the conflicting experiences of two managers with the same boss. The perceived lower performer said of his boss: "We typically cover a number of issues during meetings. But at the end of the conversation, if we have not talked about, say, returns from customers, he will throw out the zinger: '*The returns from customers need to be corrected !*' And that's the way the conversation ends, it's on a low note rather than a high note. So one way or other it will always get around to something of a negative issue."

In sharp contrast, a member of the boss's in-group commented: "Rather than dwelling on the failures in order to say: '*This is what I expect, this is the standard to be met*', it comes across much more frequently as: '*Okay, we have a problem, this is what we need to do to resolve it*'; or '*How can we resolve it, what is the plan?*'. But it always ends up with something to the effect that we have made progress and we need to pursue that progress."

Of course, the fact that "lower performer" attract more negative feedback may simply be due to the lack of opportunities to congratulate them. This was rarely the case in the relationships we observed. In the above case, for example, the unit of the "weaker performer" showed *significant improvements* on productivity, total cost, inventory, quality, and on-time delivery. Instead, the plant manager chose to focus on the *one* inadequate measure (returns from customers). Conversely, the area of the "top performer" was lagging on some performance measures, so that the plant manager certainly had the *opportunity* to pick on one dimension for the members of his in-group.

Not surprisingly, members of the "out-group" are apt to experience their boss's use of performance measures as more punitive and mostly designed to put pressure on them, whereas in-group members judge "learning and problem solving" as the boss's main objective in using performance measures.

Bosses also tend to show more leniency toward "better performers" when handing out credit for success and blame for failure. The successes of members of the "in-group" are more likely to be attributed to the individual, and their failures to external factors such as unfavorable circumstances. In contrast, the successes of perceived weaker performers tend to be attributed to luck or favorable situational factors, while failures stem from the subordinates' lack of ability or effort.³

Take the example of the perceived lower performer whose unit reported zero customer complaint for one month. The boss's reaction was, "You got

³ These observations are consistent with the findings of Green and Mitchell (1979).

zero complaints this month? You really did? I don't believe that!" The boss's apparent incredulity left the subordinate feeling puzzled and under appreciated. At best, the boss's comment was a joke that fell flat; at worst, it was genuine incredulity that betrayed his evaluation of the individual. Either way, it was not the reaction of spontaneous praise that his "better performing" colleagues would have received.

In general, problems reported by "better performers" tend to set off fewer alarm bells. The thoughts triggered in the boss's mind are: "it's not her/his fault and s/he can handle the problem." For the perceived weaker performers, the immediate reaction is often more along the lines of, "s/he fouled up again, I'd better get involved."

Communication: louder than words

Interaction patterns between bosses and subordinates also reflect the boss's view of the subordinates. In our study we found no systematic difference in the average amount of time bosses spend with higher versus lower performers. Some bosses spend more time with "weaker performers" (e.g., on monitoring, "coaching"), others spend less time (because they find interacting with these subordinates rather difficult). One thing many bosses do agree on is that the time they spend with "weaker performers" certainly *feels* longer!

If there is no systematic difference in terms of average time spent with "higher" vs. "lower" performers, there are differences in terms of who initiates contact, and style and content of exchanges.

Initiating contact: with "higher performers" the contact can be initiated indifferently by both parties. Perceived better performers show little reluctance to approach their boss because they are confident that announcing a problem will not reflect on them personally. As a result bosses can give them more space and do not feel compelled to check up on them all the time.

Relations with "weaker performers", on the other hand, show two distinct patterns, both of which are more extreme. In some cases, the subordinate tends to withdraw, leaving the boss as the chief initiator of contact. This withdrawal is driven by the subordinate's fear that taking a problem to the boss will mean receiving negative feedback and/or losing control over the issue - with the boss either appropriating the problem or directing the subordinate towards a specific solution.

At the other extreme, some perceived lower performers initiate very frequent contact to get detailed instruction on how to proceed. This behavior is often triggered by half-hearted delegation on the part of the boss, who says "It's your decision" but, when news of the decision percolates up, says "Oh no, that's not right." Over time the subordinate gets tired of having decisions overturned and starts soliciting the boss's views

for every petty decision. The reasoning is, "If I'm going to be overruled anyway, I may as well get the boss's blessing in advance."

Style: "superior performers" generally report more consideration, more coaching and more positive reinforcement from their boss than "weaker performers".

For example, the "higher performers" in one group described their boss as someone who treats them as equals and emphasizes frequent informal and open interactions. The group's perceived lower performers described a more formal manager, with whom interactions were often uncomfortable, and they recalled incidents that made them feel less than equals - such as the meeting which one manager began without waiting for his belated boss and after which he "got the school boy lecture about '*don't start a meeting without me here* (banging on the table), and *don't ever interrupt me again*' (banging)."

The difference in boss behavior is typically more subtle than the "school boy lecture". Interactions featuring very similar contents can come across (and be perceived by subordinates) as supportive or punitive depending on the tone, the body language, the overall "style" of the boss. For example, one manager explained that when discussing a specific performance measure, his boss "has very strong words to say; his demeanor changes, the harshness of his words changes, he becomes very direct."

Another manager discussed the way his boss decided to review the client bids put together by his area. The subordinate explained that he was disturbed *not* by his boss' involvement, but rather by the way the boss approached the issue.

"What bothered me was the negative approach he used. 'I don't believe you, I don't believe your subordinate. I want to go through this in detail. Why didn't you do it this way? Why did you overlook this? Why didn't you do it that way?' It was those kinds of questions rather than: 'Gee, I don't understand your business and I need some help in understanding how you go about quoting these jobs. Can you show me some examples?'"

He could even have said, '*Because to be honest with you, we seem to be losing money on some of these quotes and I would like to understand why*'. I would have figured out very quickly anyway that he was testing me, and I don't mind being tested. If there is something wrong, great! We found it together, we will go on from here and we won't make that mistake again. But I did mind being found guilty before the trial started."

The boss stopped reviewing the quotes after a while; they were being performed correctly.

Content: "higher" and "lower" performers can also be distinguished by the breadth of contact they have with their boss - or what might be termed the 'bandwidth' of communication.

For "lower performers", the range of topics broached is generally narrower. Exchanges are more predictable in content. There is more emphasis on performance measures, targets and deadlines. This focus on task related issues leads to distinctive type of questioning. As one boss explained:

"With lower performers, I would ask some very specific, detailed questions, like 'How are things going with this?', or 'What's happening with a, with b, with c? What is being done about a, b, and c? Are you satisfied that enough is being done?', the details. 'Do you need any help with a, b, or c? And what is that help?' To try and encourage that person to think on their own."

Bosses typically engage in more cross-checking with "lower performers" and may even use "trick" questions, to test their understanding. As one boss explained: "For lower performers, you may ask a question to make sure the person *knows*, because they're closer to it and they should know more about it than you do. If it turns out that they know less than you do, and it's directly impacting their performance measures, then that has an influence on how well you think they are doing their job."

This is in stark contrast to the type of questions normally asked of higher performers which tend to be more open ended, along the lines, "How are things going? Anything you need?". As one boss explained, "It would be a general question, inviting them to communicate with me."⁴

Another difference in boss communication with "higher performers" is the tendency to talk more about "the big picture". The boss is more likely to ask their opinions, to help them understand the wider implications of particular actions, the implication being "I trust your judgment, so I will tell you about things that go on, beyond your immediate activities, and ask you how you think we should handle things."

The bosses' view

The previous sections discuss the point of view of subordinates: perceived superior performers tend to describe their boss as more considerate, more participative and more supportive. These differences could be real - bosses' behavior could genuinely vary with their perception of the subordinates' performance. Or they could be simply a matter of perception; superior performers typically receive better performance ratings and more rewards from the organization, which could lead them to interpret their boss' behavior in more positive ways.⁵

⁴Our observations are consistent with Gioia and Sims' (1986) finding that managers tend to probe for the causes of failure among "poor performers" by asking *why*; whereas "higher performers" are asked "what do you think" or "how" questions.

⁵ A number of studies have documented this process at the group level, with members of perceived high performance groups attributing more favorable characteristics to their group and their leader than members of (perceived) low performance groups. See, for example, Staw (1975).

So we also need to examine how things look from the bosses' perspective. Do bosses agree with their subordinates' view? Are they *aware* of differences in their behavior? And if bosses are aware of such differences, are these differences *intended* by the bosses, or do they rather reflect implementation errors (an inability to translate intentions into actions)?

Our research suggests that (a) most bosses *are* aware that they behave differently with people they perceive to be superior vs. weaker performers, and (b) many bosses report making differences quite *deliberately*, based on their view of fundamental differences in the behavior and capabilities of their subordinates.

In our initial study, for example, we asked bosses whether (and if so, how and why) they behaved differently with people they perceived to be superior vs. weaker performers (see Appendix I). The vast majority of bosses acknowledged that they did behave differently. One manager, for example, explained that he made a conscious effort to provide positive reinforcement to the "superior performers": "I want to make it clear to them that I don't take their performance for granted. I need to keep the reinforcement going all the time; my appreciation, increased recognition. In the other case, my behavior is more into counselling, how it can get better." Overall, he said, "I may act more like a teacher (to the weaker performers), and more as a facilitator (with the superior performers)."

Another manager was very articulate about the differences in his behavior. He explained that he *had to* behave differently because "adequate performers" fall short of superior performers on three counts:

(a) Superior performers know how to get things done, they *drive* to excellence. Adequate performers tend to accept that "things happen" rather than challenging them. So they need to be pushed, to be stretched.

(b) Weaker performers often spend more time trying to escape accountability - finding excuses for failures or resisting stretch targets - than they actually spend trying to achieve the targets!

(c) Weaker performers generally do not ask for help before it's too late; they allow themselves to get buried. "A high performer will ask you for help if they need it."

As a consequence, this manager consciously made the following differences:

Toward "weaker performers"

Ask more specific and detailed questions,

Get more systematically involved in the analysis and resolution of unfavorable variances;

Follow up more frequently after discussions to make sure that the "right" corrective actions are being implemented.

Toward "superior performers"

Ask general questions such as "how are things going?"

Give them "a greater opportunity to succeed on their own", including more choice of the course of action;

Invite them to "come and get me involved" if they need help; otherwise leave things up to them.

In addition to these conscious and deliberate choices, several managers acknowledged that their behavior toward perceived weaker performers was also influenced by more emotional considerations, including a tendency to be more impatient. One manager, for example, conceded: "and as a human being, maybe I feel better when (a superior performer) calls me than when the other person calls me. In a comparative sense, I may feel, 'My God, what does he want this time?!'"

Another manager explained that, when discussing problems with a "weaker performer", he always started the conversation with good coaching intentions but sometimes resorted to "spoon feed the person just a little bit because they were not coming up with the idea". It's the time factor", he said, "that's no excuse, but it is a reality of life. If I had spent another five or another fifteen minutes asking questions rather than telling the person what I wanted them to do, would the person have got it? I hope so, but I don't know for sure, and there are usually other problems I need to attend to."⁶

Overall, however, the bosses we studied were typically quite conscious of behaving in a more controlling way with their perceived weaker performers. Their objective, they said, was to compensate for the insufficient drive and initiative of these subordinates. Over the last two years we have tested the generalizability of this finding with hundreds of managers attending executive programmes at INSEAD. Specifically, we ask managers to identify how, on average, the behavior of "superior performers" differs from that of "weaker performers". Much to our surprise, the results are strikingly similar across hierarchical levels, companies, nationalities, mixed groups vs. mono-company groups, etc..

⁶ These reactions are consistent with Fairhurst, Green and Snaveley's (1984) finding that, when dealing with perceived lower performers, managers either tend to use criticisms, reprimands, threats or orders from the beginning of the control sequence, or initially try to display a "problem-solving" style but then quickly revert to a more punitive strategy.

Specifically, many managers explain that, compared to "superior performers", "weaker performers" tend to be:

- less motivated, less energetic, less likely to go "beyond the call of duty"
- more passive; they do not "take charge" of problems or projects; they are not "self-starters"
- less proactive; they do not anticipate problems as well
- less innovative (they tend to 'do what they are told' as opposed to bringing up new ideas)
- often lacking in vision and overall perspective
- often not as good leaders for their own subordinates
- more likely to "walk into your office and bring you problems", while "superior performers" bring you solutions!

Once these differences are established we ask managers whether (and if so, how) they tend to behave differently toward the two theoretical sub-groups. Again, the same list of differences comes up across vastly different groups and supports our study's finding that managers tend to be more directive with, and perform more monitoring of, perceived weaker performers.

Toward "Superior Performers"

Discuss *what* and *why*, limited focus on *how*;

Give them more freedom to choose own course of action;

Less systematic attention to unfavorable variances;

Make oneself available; "let me know if I can help";

More likely to listen to suggestions. Real discussion takes place;

Give the more interesting and/or challenging assignments.

Spend more time discussing/asking their view on strategy, "on the big picture".

Toward "Weaker Performers"

Generally more directive when discussing tasks and goals; e.g., focus on *what* needs to be done, *why*, and *how* it should get done;

Set more targets, more deadlines;

Follow up/monitor on a more continuous basis;

Get more systematically involved in unfavorable variances;

More likely to impose their views in the case of disagreements.

Bosses' self-assessment of their behavior thus confirms the differences identified by subordinates. Bosses *do* behave differently. We see these differences as partly rooted in emotional reactions such as limited patience and frustration. For the large part, however, the differences are quite conscious and deliberate. They seem to stem from a theory of performance concerning the limitations of weaker performers and the most appropriate way for the boss to overcome them. The exercise we conduct in class with executives suggests that this theory is often tacit (the exercise helps executives to make it explicit), and seems to be surprisingly universal.

Subordinates can read their boss' mind

Some managers are very up-front about the low level of confidence they have in their perceived weaker performers, but the majority of managers we meet believe that a "little encouragement and support" can sometimes increase subordinate performance. They also believe that openly expressing or showing their lack of confidence could damage the subordinate's motivation and performance, so they try to "present things in a positive light".⁷ Unfortunately, subordinates are highly sensitive to the different signals sent out by their boss and they typically have little trouble seeing through their boss' behavior.

Perceived lower performers have many ways to realise that their boss is less participative and supportive with them than with some of their colleagues: meetings, informal conversations with peers or subordinates provide many opportunities for data gathering. They can also observe more obvious signs of confidence such as who gets the interesting projects and who sits in for the boss at meetings.

Subordinates also learn a lot from daily interactions with their boss, particularly from the boss' reactions during discussions. Some managers have told us about 'dead give-aways' (sure signs of a lack of confidence), such as "when you come forward with a problem, does the boss assume that you have already done the obvious, or does s/he start with obvious questions or suggestions?" For example, in the case of a production line that just went down, the boss may ask, "Have you called maintenance?". Such a question would clearly not be asked of a higher performer. It is a 'dead give-away' which communicates the boss's lack of confidence in the subordinate.

Another dimension subordinates observe is the boss' reaction to their ideas. One manager explained: "When I go to him to tell him that I have a problem and what I've done with that problem, there is never any feedback like '*that was a good thing to do*'; or '*not bad, I think I would add this other aspect*'. The communication in that type of situation is always

⁷ See Argyris (1994) for a wider discussion of the ineffectiveness and sometimes dysfunctional effects of "upbeat" behavior.

one-sided, *'here are the things you have to do'*, period, with no comment on what I've done. I can feel his lack of confidence."

The bottom line is: subordinates know what you *really* think of them! For bosses who doubt this, here is a simple test: Can you tell if your boss really trusts you and believes in you? Can you tell whether s/he has faith in your ability to solve problems and manage your operation? You probably can. If you can, chances are that the people reporting to you also can!

Living down to expectations: the response of perceived lower performers

Studies on the Pygmalion effect suggest that high expectations on the part of bosses are associated with higher subordinate performance.⁸ Our research suggests that a similar phenomenon exists at the other end of the expectation spectrum. Perceived lower performers can sense their boss's lack of confidence in their abilities and many respond in kind: by disengaging mentally from the task, reducing interaction with the boss, and making sure they are fully armed to deflect criticism.

Disconnecting intellectually and emotionally: the type of boss behavior described above discourages perceived lower performers' development in two ways: it undermines subordinate confidence and stifles initiative.

When the boss's behavior demonstrates low confidence in the subordinate's ability, the subordinate may start to doubt that he or she has anything to contribute. Among the fifty subordinates we studied, for example, the subordinates receiving lower performance ratings clearly perceived that their boss had less trust in them than in members of the in-group. In some cases, for example in Steve's case described earlier, this realization can lead the subordinate to non-compliance and progressive withdrawal.⁹

In less extreme cases, many subordinates simply stop 'giving their best' because they grow tired of being overruled; they lose the will to fight for their ideas. This loss of personal motivation was a familiar complaint. As one subordinate put it: "My boss is very open to change, which is great, but he also tends to tell you how to get there, and that's not good because you then tend to lose your creativity. Rather than arguing with him, you end up wanting to say, *'Jesus, Joe, just tell me what you want me to do and I'll go do it.'* You become a robot." Another perceived weaker performer explained:

⁸ See Eden's (1990a) study of about 1,000 recruits undergoing Squad Leader training in the Israeli army. Take 29 platoons of recruits. Tell the leader of 10 of these platoons that "the average command potential of your trainees is appreciably higher than the usual level .. therefore you can expect unusual achievements from the trainees in your group". Come back 11 weeks later. Average performance of the ten phony "elite" platoons is significantly higher than that of the 19 control platoons. In particular, the ten "elite platoons" perform better on physical fitness tests, and they shoot more accurately!

⁹ The French philosopher Albert Camus once observed that when deprived of choice, the only freedom left is the freedom to say no.

"What does that do to you when you develop this perception of lack of confidence? You either don't go ahead and get him involved, or if he tells you to do something, you just do it mechanically!". Yet another view:

"How does it make you feel? Not good! What it does is take away any individual creativity that you may have. If somebody is telling you how to go ahead and do the job and all the details to achieve that, it means you're going out and doing what he tells you to do! If you have other ways you'd like to do it and you're not given the freedom of choice to try those other ways, it really stifles your creativity."

Disengaging interpersonally: the progressive intellectual withdrawal is often accompanied by reduced interpersonal contact with the boss. Partly, this is motivated by the nature of previous exchanges which have tended to be negative in tone. As one subordinate confessed: "I used to initiate much more contacts with (my boss) until the only thing I received was negative feedback, then I started shying away. He has not at all encouraged more frequent interaction."

Besides the risk of a negative reaction, "weaker performers" are concerned with not tainting their image further. Following the often-heard aphorism "Better to keep quiet and look a fool, than open your mouth and prove it!", they avoid asking for help for fear of further exposing their limitations.

Also, feeling hemmed in by the boss's close supervision and tight boundaries, the subordinate may try to re-establish a margin of discretion. Typically, subordinates will try to create space for themselves by initiating fewer contacts with the boss. They may volunteer less unsolicited information. As one lower performer recalled, "I more or less kept doing my job to the best of my abilities, without that constant interaction, feeling that if there's no trouble, why wave the flag?"

Dissipating energy: alongside this reluctance to initiate interaction, many subordinates adopt a more defensive stance. They often start devoting more energy to self-justification - knowing they will be personally blamed for failures, they seek to find excuses early. They end up spending a lot of time and energy looking in the rear-view mirror for self-protection, thus spending less time looking at the road ahead.

People reporting to "weaker performers" also get dragged in to this unproductive activity. The subordinate of one "lower performer" reported that he often spent more time trying to explain away variances - by identifying plenty of exogenous factors contributing to the poor performance - than trying to identify their root causes and address them.

The net result, then, is fewer ideas, decreased commitment, less information exchange and lower productivity from the perceived weaker performers and their subordinates, as shown in Appendix II.

A vicious circle

Bosses start with a theory of differences between "superior" and "weaker" performers. This theory determines how they think they should behave in order to increase weaker subordinates' performance. Specifically, "lower performers" don't *drive* to excellence and should thus be stretched and monitored closely. Our research suggests that this theory of performance, combined with "implementation difficulties" (such as limited patience), often creates a vicious circle - that is, a dysfunctional process which is self-fulfilling and self-reinforcing (see Appendix III for a more visual presentation):

The process is *self-fulfilling* because the boss's behavior contributes to the subordinate producing the very behavior that the boss expected from the subordinate. For example, the boss is very directive in terms of *what* to do and *how* it should be done, so the subordinate gets used to being told what to do, progressively becomes more "mechanical" and stops proposing new ideas, thus "confirming" the boss's belief that the person "is not a self driver", nor someone "capable of setting stretch targets".

The process is also *self-reinforcing* because the boss's beliefs on how "weaker performers" behave are reinforced, which will trigger more of the same behavior on the boss's (and the subordinate's) part. For example, the subordinate's withdrawal makes the boss feel increasingly isolated from the area. This increased distance lessens the boss's sensitivity to the difficulties faced, and the progress made, by subordinates. It also diminishes bosses' ability to contribute to the decision making process and to reassure themselves that the subordinates have things well in hand. This, in turn, fuels the bosses' frustration with their subordinates and the desire to exercise greater control. The boss's attitude makes interactions progressively more painful and punitive for subordinates, who in turn become increasingly defensive.

Delays in problem recognition create their own dilemma for the boss: Late reporting of problems by subordinates means that when the boss *does* intervene, he or she is forced to intervene in pretty forceful ways ("when the barn is on fire, you don't get into a debate, you just step in and put out the fire!"). These forceful reactions on the part of the boss can have two impacts on subordinates: encourage them to report problems early (to avoid a "big blow-up" from the boss), or comfort them in their opinion that it is best to try to solve problems on their own (which may include hiding them from the boss), because when the boss gets involved, s/he takes the issue away from you.

Perceived superior performers are likely to report problems early because bosses tend not to take authority away from them too quickly. For perceived weaker performers, the problem is more complex because bosses tend to react in more directive and sometimes punitive ways much more quickly. Perceived weaker performers are thus caught in a bind.

These vicious circles really exist. We are not claiming that they happen everywhere but they happen with a far higher frequency than we anticipated and is typically acknowledged. It is worth reiterating that these vicious circles are not primarily the consequence of poor implementation. Basically, the behavior of bosses towards lower performers is intended, even if some of its effects are unintended. It is not a 'production' problem; it is rather a theory problem. It is as if, when confronted with a lower performer, bosses switched to a sequence of behaviors which almost guaranteed the failure of that subordinate. This eight step sequence is summarized in Appendix IV.

Of course, some subordinates do persevere and succeed in changing the negative impressions held by their boss. We did observe a few subordinates lifting themselves up from their boss' "out-group" to his/her "in-group". But fighting is hard, precisely *because* the phenomenon is self-fulfilling. One manager explained the tension he felt: "I find myself doing that sometimes. I've got enough of the things he gave me yesterday, he's going to give me new ones tomorrow and he will also tell me how to get there. So you become an executor, and you can get caught up in that pattern if you're not strong enough to realize that's not what you want".

Some subordinates are strong enough to resist this daily pressure. Many we have seen were not. Furthermore, a persistent subordinate moving from the "out-group" to the "in-group" solves this subordinate's problem, but it does not change the relationship between the boss and the other perceived lower performers. The underlying dynamic remains.

The spiral is costly

We have so far discussed two of the costs associated with this negative Pygmalion effect: a human cost borne by many perceived weaker performers and an organizational cost associated with the firm failing to get the best out of one or more subordinates. There are other costs to consider, some of them indirect and long-term in nature. These costs are incurred by the bosses themselves, the rest of the team and the subordinates of the perceived weaker performers, thus ultimately the wider organization.

Consequences for the boss

- *Energy sapping*: uneasy relationships with perceived lower performers often take a direct toll on the boss; dealing with "underperformers" can be emotionally wearing. It can be quite a strain to keep up a facade of courtesy and pretend everything is fine, when both parties know it is not. Dragging people to excellence is exhausting! The time and energy devoted to these relationships prevent the boss from attending to other issues or activities. Moreover, this expenditure of time and energy is unending. The boss may even have to devote more and more effort simply to maintain the subordinate's performance level.

- *Reputation in the organization*: other members of the team and the organization also observe and interpret the boss's behavior towards "lower performers". If the boss's treatment of a subordinate is deemed unfair or unsupportive, observers will be quick to draw their lessons. As one outstanding performer observed after witnessing his boss's lack of loyalty towards another subordinate: "It made us all feel like we're expendable." With organizations increasingly espousing the values of learning and empowerment, ambitious managers have to cultivate their reputations as coaches, as well as secure results.

Consequences for the team

- *Burning out the "better performers"*: lack of faith in the perceived weaker performers creates a temptation for bosses to overload "superior performers"; bosses want to entrust critical assignments to those who can be counted on to deliver reliably and quickly, those who will be willing to "go beyond the call of duty" because of their strong sense of "shared fate" with their boss. As one boss half-jokingly observed: "Rule number one: if you want something done, give it someone who's busy - there's a reason why that person's busy."

This increased work load may help the perceived superior performers learn to manage their time better, including through more effective delegation to their own subordinates. In many cases, however, the perceived superior performers simply absorb the greater load and higher stress which, over time, takes a personal toll and decreases the amount of time and energy they can devote to other dimensions of their job (particularly those yielding longer term benefits).

- *Loss of morale*: team spirit can suffer from the progressive alienation of one or more perceived lower performers. As one manager recalled: "I remember watching one of my peers getting grilled every week very intensely by our boss. The whole team would see this guy every week, and they'd say, 'Come on, Alex. Get with it.' A team is like a functioning organism. I don't think people like to see people hurt in general. So you leave a person suffering, the whole team feels that pain." In addition, alienated subordinates often expend some of their and their colleagues' time and energy in recriminations, regrets and complaints.

Consequences for the subordinates of the perceived weaker performers

Bosses often point out that perceived weaker performers are less effective leaders for their own subordinates than their better performing counterparts. Similarly, subordinates of several perceived lower performers indicated to us that their boss often displayed toward them the same type of behavior that they complained of from above, including a lack of recognition, excessive monitoring of results and a tendency to be very directive when discussing possible actions. Aside from the perceived

weaker performers' intrinsic leadership qualities, the lower quality of the relationship they enjoy with their boss makes it more difficult for them to be effective leaders. There are two reasons for this:

- *Bad example:* The cascading effect of poor leadership should not be neglected. Perceived lower performers often acknowledged that they were indeed reproducing behavior that they disliked in their boss and suggested that more supportive behavior toward them on the part of their boss would help them to be more supportive toward their own subordinates. Similarly, several managers commented that the effectiveness of their boss's behavior toward them encouraged and helped them to try to model the same behavior for their subordinates.¹⁰

- *Cascading of downward pressure:* Being under pressure and on a "tight leash" from their boss, perceived weaker performers have a tendency to impose similar pressure and constraints on their own subordinates; it is difficult to maintain a positive outlook and to give much autonomy to your subordinates when your boss is "breathing down your neck"! In addition, the subordinates are often roped into their boss's self-justification efforts, thus getting side-tracked from their core activity.

"Bad things happen to good people"

It is important to say that this phenomenon is not restricted to incompetent bosses. We have seen it happen to people perceived within their organizations as excellent bosses. The mismanagement of some subordinates need not prevent bosses from achieving a certain level of success, particularly when the boss and the perceived superior performers have high individual performance levels.

Our argument is that these bosses could be even more successful, at a lower cost to the subordinates (particularly the perceived weaker performers), to the team, the organization, and to themselves. Our basic assertion is that bosses do not necessarily need to spend more time with lower performers, but that many bosses should consider changing the *way they spend* that time in order to change the dynamics of the relationship.

The choice is easily stated: bosses can write-off the time they spend with "weaker performers" as an expense, knowing that they will have to pay steadily more, in terms of increased monitoring and control, in order to offset the subordinate's deteriorating motivation and performance. Alternatively, we argue, they can invest the time in establishing a more productive relationship which will yield superior performance and demand progressively less attention.

¹⁰ This belief is consistent with much research highlighting the effectiveness of modelling behavior as a training technique. See, for example, Bandura's Social Learning Theory (1986).

Getting it right

The pattern mapped out in Appendix III can only correct itself if the subordinate refuses to "give up" and fights long and hard enough to generate results that are sufficiently impressive for the boss to change his/her mental categorization. We have seen this happen, but we have also seen many cases where this "self-correction" failed to occur and where interruption of the vicious circle required an intervention.

Bosses who wish to halt these vicious circles must first acknowledge their responsibility in the process. This is difficult, not just for reasons of pride and ego, but also for cognitive reasons: the boss observes a match between expected and actual subordinate behavior, so why change anything?¹¹ The solution starts with the boss experiencing some dissatisfaction with the *status quo*. Then, in the short run, the first priority is to interrupt the downward spiral. In the long run, bosses must try to prevent similar situations from arising again.

Becoming aware: when people get from others the behavior they expect, it can be difficult to convince them that there is a problem to address. Many bosses have difficulties addressing effectively the problem of "satisfactorily under performing" subordinates because they assume that the problem stems from the person rather than their treatment of the person. We hope to have presented a compelling enough case to raise doubts in a few minds!

One clue is to look for relationships which may have followed the degenerating pattern described in Appendix III. Likely candidates are subordinates whose performance you see as acceptable but short of excellent, and with whom you maintain a courteous but not very warm relationship; people you try to push and encourage but who don't seem to respond to your efforts.

Interrupting the cycle: bosses may be tempted to try to interrupt the dynamic tacitly, by modifying their behaviour toward the perceived weaker performer without a formal announcement or discussion. This process could start with the boss resolving to become more supportive of, and to project more confidence in the subordinate. This approach has the short term benefit of bypassing the discomfort of an explicit discussion. It also has two major disadvantages.

First, a tacit and unilateral adjustment by the boss is less likely to lead to a durable improvement because it focuses on one of the symptoms of the

¹¹ In fact, both parties, including the perceived weaker performers, get what they expect! In time, many perceived weaker performers come to lose faith in their ability to change the boss' mind (and in the boss' ability to change his/her mind!). They develop the belief that, regardless of how hard they try, their boss will be controlling toward them. As they become more distant and detached, they of course observe more controlling behavior from their boss.

problem - the boss' behaviour -, without identifying its root cause (why the boss came to develop this perception of the subordinate). The boss may have quite valid reasons to doubt the subordinate's ability to perform at a high level. In particular, the subordinate's performance might be limited by a number of causes that can and should be addressed. Secondly, even if the process is successful, a unilateral approach limits the learning that boss and subordinates can derive from this experience; the subordinates, in particular, do not "see" the process their boss went through (and they might have to go through one day), nor do they learn how to be more proactive with others should a similar situation happen to them again in the future.

To address these two limitations, the two parties have to "sit down and talk". The final objective of the conversation is to increase the performance of the unit, the boss and the subordinate, which involves three steps:

- (1) reducing the uneasiness of the boss-subordinate relationship, which first requires acknowledging and discussing this uneasiness.
- (2) addressing the specific performance issue(s) the boss believes to have identified as well as other issues that the discussion may uncover, and
- (3) preventing the recurrence of such a problem between the boss and the subordinate, which requires a discussion of "how did we get to this?" More generally, improving the boss's and the subordinate's ability to detect and correct performance problems.

Our research suggests that such discussions do not take place very often. Both bosses and perceived lower performers tend to feel the tension but are often reluctant to bring it up in the open, largely because of their lack of confidence in their mutual ability to hold such a discussion in a productive way.

We don't pretend to have a magic bullet that makes such a discussion easy or a sure success. Being productive under conditions of threat and embarrassment is not easy and often requires investing a significant amount of time and effort into personal re-training.¹² Still, our research suggests a number potentially useful remarks.

First, we have learned that triggering the discussion is particularly difficult for subordinates, for two reasons: Subordinates who feel under-appreciated are often worried about coming across as feeble, thin-skinned or whining.

¹² Discussions of subordinate performance present a high potential for threat and embarrassment. A full discussion of how and why human beings tend to be unproductive under conditions of threat and embarrassment is beyond the scope of this paper. See Argyris and Schön (1974) and (1978) for the initial presentation and discussion of this surprisingly universal human tendency, and Argyris (1993) and (1994) for more recent discussions.

How do you tell your boss that you sometimes find him/her unfair, that you feel under-appreciated, that you feel s/he often does not give you a chance to work on your terms, that, basically, you think s/he does not have much faith in your abilities? Secondly, many subordinates think that their boss would prefer not to discuss the issue either. One disenchanted subordinate commented: "He must feel the tension as well. He must notice the absence of interchanges. I'm sure he's intelligent enough to say '*hey, what's going on here?*', but he chooses not to bring up the topic, so I take it to mean he doesn't want to discuss it."

As a result, many perceived lower performers indicated that while they would welcome such a discussion with their boss, they would be much more comfortable if the boss triggered the discussion. The onus is thus on the boss to initiate the process.

Back to Steve's story

Going back to the case of the Steve and Jeff, Jeff asked Steve to perform a task and report back him regularly. Steve did not do so to Jeff's satisfaction. As many bosses frequently do with subordinates they perceive to be weaker performers, Steve made a negative attribution about the cause of Steve's behavior, leading to a negative evaluation of Steve: Steve is simply not "a proactive guy".

As summarized in Appendix V, however, there are many possible reasons for Steve's behavior: Steve could be unaware that Jeff finds his reports weak (in which case he wouldn't think of putting in more effort); or Steve could be purposely investing little time in the analyses and reports because he does not fully appreciate the value of systematic investigation of failures; or he does appreciate the value but is swamped and does not find the time to write up good reports; and, of course, we could have another example of the vicious circle we discussed in this article. Choosing the right solution requires understanding the root cause of the problem. To identify this root cause Jeff needs to sit down with Steve and discuss the situation as well as their relationship.

Such conversations require candor, courage and tolerance from the boss (see Appendix VI for an illustration). In particular, the boss needs to be open-minded on three fronts:

- (a) S/he might be wrong! A systematic examination of the data and a better understanding of the circumstances may lead the boss to realize that the subordinate is performing better than s/he thought;
- (b) Assuming that the boss is right - the subordinate is under-performing -, the question then becomes *why*? What are the causes of this under-performance? Too often, bosses attribute low performance of members of their "out-group" to limited ability and/or effort on the part of these subordinates, which leads the boss

to "pull harder". Bosses need to remain as open to causes of poor results with their perceived weaker performers as they are with their perceived superior performers;

(c) Most important, the boss needs to be open to, and acknowledge explicitly, the possibility that s/he has been contributing to the subordinate's lack of drive, motivation, initiative and/or self-confidence.

When trying to remain open-minded, bosses should keep two things in mind: First, the longer they wait to discuss an issue with perceived weaker performers, the harder it will be for them to remain open-minded. Human beings tend to create mental maps for themselves, and the longer the boss waits to confront his/her evolving view, the more opportunities will arise for the boss to "confirm" his/her opinion.

Secondly, bosses should avoid thinking of these discussions as "giving feedback" to their perceived lower performers. The term "giving feedback" implies that feedback is an objective view that the boss "has", which must be communicated in the least harmful way to the subordinate. Yet bosses can be wrong in their assessment of the situation, just as they can contribute to their subordinate's lack of motivation, initiative and drive. Interrupting a vicious circle requires more than the boss "giving feedback" to the subordinate. It requires the boss "having a performance-related discussion" with the subordinate, a discussion that includes the boss's, as well as the subordinate's, behavior and performance.

Why not just tell Steve?

Jeff could of course be much more unilateral about his wanting Steve to investigate rejections and report back to him; he could tell Jeff about his demand in no uncertain terms and associate clear and important rewards (or punishments) to Steve's compliance. This more directive approach might work in the short run, but it will not help Jeff achieve his first objective (reducing the uneasiness in the relationship), nor his last objective, which is to try to use the conversation to enhance their joint ability to solve problems in the future. This learning objective could be introduced by Jeff toward the end of the conversation (see Appendix VI for an example).

Comparing cost and benefits

Experienced and busy managers could raise two major objections at this point. First, "there is no guarantee that the subordinate can indeed improve and lift his/her performance level." Secondly, "the discussion and ensuing coaching take time. Time is in very short supply, so I use a simpler approach: If the present incumbents don't reach a high enough

level of performance, I replace them with people who can." Both objections are worth a brief discussion.

"This process does not always work"

This objection is intuitively appealing, but to discuss it we need to define how we measure the success of the process. We can distinguish at least three possible outcomes:

(a) The ideal scenario: the subordinate's performance improves, the relationship improves and the costs associated with the vicious circle disappear or, at least, decrease. This will obviously not happen every time; we are not claiming that every perceived weaker performer will turn into a superior performer, but if, over time, their performance improves rather than deteriorates, the difference in performance can be significant (see Appendix II).

(b) The subordinate's performance improves only marginally but, because the subordinate received help and support from the boss, the relationship between the two becomes more productive. Boss and subordinate develop a better understanding of the job dimensions on which the subordinate can do well and those where s/he struggles. This improved understanding can lead the boss and subordinate to explore how to develop a better *fit* between the job and the subordinate's strengths and weaknesses. This improved fit could be achieved by modifying the existing job, moving to another job or even to another company. We have seen all three possibilities happen in practice.

While this is not as successful an outcome as the first one, it is still a productive one; a more productive relationship eases the strain on both boss and subordinate, and in turn on the perceived weaker performer's subordinates. If a better fit is developed, the subordinate becomes more successful and opens up a spot for a potentially better performer in his/her old job. The key point is that, having been treated with fairness, the subordinate is much more likely to accept the outcome of the process. Indeed, numerous recent studies in performance appraisal and other settings show that the perceived fairness of a process has a major impact on employees' reactions to the outcomes of that process.¹³

¹³ In the performance appraisal context, Taylor et al.'s (1995) field experiment showed that, compared to a control group, employees involved in a performance appraisal system emphasizing fair procedures displayed more favorable reactions towards the appraisal system and the managers who administered it and a greater intention to remain with the organization, *even though they received significantly lower performance evaluations than the control group*. In the strategic decision making process, Kim and Mauborgne (1996) found that procedural justice between Head Office and subsidiary unit top managers leads to better acceptance and executions of decisions. Finally, Korine (1996) found that the performance of product development teams (assessed by top management) was strongly positively associated with the teams' assessment of perceived fairness in decision making of top management and the teams themselves.

(c) The subordinate proves impervious to the boss' efforts and makes no effort to improve. In Appendix V this possibility is showed under the heading "Steve has low performance expectations". We are not denying that some proportion of employees, for a variety of reasons, choose to devote as little energy as possible to their work. In our experience, however, the proportion of 'die-hard coasters' is small; most of the weaker performers we meet used to wish, and typically still wish, to operate in an environment where they can be successful. Their current low level of motivation stems from a bad fit between the job's requirements and their capabilities and/or a poor relationship with their boss.

Still, for the few 'die-hard coasters', the fairness of the process used by the boss sets a better stage for later resorting to more forceful action, which can range from a substantial increase in performance standards to removal from the job. Even if the weaker performer reacts negatively to the boss's actions, their peers and subordinates are more likely to feel that their colleague was treated fairly, and thus less likely to develop the feeling of 'we're expendable' that we described in the article.

We do not claim that the ideal scenario will occur every time; we have seen examples of all three types of outcomes. In all cases, however, the process yields some benefit for the subordinate, the boss and/or the team. Furthermore, managers who engage in such a process typically find out that there are significantly fewer 'die-hard coasters' and more willingness and capabilities to improve than they initially thought. These benefits do not come for free, however, which leads to the next question: 'is it worth the effort?'

Is the process worth the effort?

Management time and attention has a cost, as does the emotional investment of the process we propose here. These costs must be balanced against the benefits of the process. We have seen bosses that were under such pressure for results that, despite their best intentions, they felt compelled to remove perceived weaker performers rather than investing time and energy in trying to interrupt and reverse a dysfunctional work relationship.

We are not claiming that the benefits always exceed the costs. Our objective was to highlight how, by attributing the causes of the problem to the subordinate and failing to consider how they may unwittingly be contributing to the subordinate's lower drive and performance, many managers underestimate the benefits of a structured intervention. A better understanding of the vicious circle that the boss can trigger should make the intervention easier - thus decreasing its cost-, and should increase the likelihood that some benefits will be achieved. Greater awareness and understanding of the process can also help bosses detect a negative performance spiral more quickly and thus avoid falling into the now familiar self-reinforcing trap of monitoring and control.

Conclusion

Managers are human beings, and like most human beings, they categorize people, including their subordinates. These 'labels' have advantages; they help us function more quickly and more efficiently by providing rough and ready guides for interacting with subordinates. They can also lead to premature closure. Having "made up their minds" about perceived weaker performers' limited ability and motivation, managers are liable to look selectively for supporting evidence while systematically dismissing contrary evidence, such as spectacular improvements, as "one-offs". Bosses must therefore make a conscious effort to treat their initial categorization of subordinates with appropriate caution and leave the categories open to modification.

Managers also need to become more alert to the development of vicious circles. We have observed many perceived weaker performers losing the will to fight their boss's negative view of them and progressively becoming the poorly motivated, defensive performer their boss pictured. The boss's controlling behavior did not help; it fuelled the withdrawal process at significant cost to the subordinates, the team, the organization, and the boss him/herself.

We believe these vicious circles can be interrupted. The first step is for the boss to become aware of their existence and consider the possibility that s/he might be part of their dynamic. The second requires the boss to make a clear and focused intervention bringing into the open the uneasiness that has been developing in the relationship, discussing the main subordinate performance issues identified by the boss *and* opening up for discussion the boss's behavior.

In the longer term, *prevention* of such vicious circles is clearly the best option. Managers do not need to behave identically with all subordinates to avoid triggering vicious circles. They can be more directive with some subordinates than others, they can even monitor these subordinates more. They do need, however, to do so in a way that the subordinates interpret as supportive, caring and helpful. This is possible, we have seen it happen. How these managers do it is the subject of the next article.

* * * * *

Appendix I

The Initial Study

The initial data for this article comes from an intensive study of fifty boss-subordinate pairings within four manufacturing operations in Fortune 100 companies.¹⁴

The study was designed to explore how boss and subordinate mutually influence each other's behavior. Both qualitative and quantitative data were collected. The qualitative data was gathered through close to 400 hours of interviews, including two interviews with each focal boss and subordinate. In terms of quantitative information, bosses gave performance ratings for each of their subordinates and subordinates completed a questionnaire on their boss's behavior.

Subordinate descriptions of their boss's behavior showed a number of statistically significant differences. In particular, "superior performers" reported significantly different scores than "weaker performers" on the following dimensions:

- more considerate and participative leadership,
- more coaching,
- less imposition of the boss's views in cases of disagreements,
- less systematic attention to unfavorable variances
- more attention to favorable variances,
- more openness to the causes of variances,
- less discussions focused on measures of performance, and
- more help in problem solving.

When considering several dimensions of bosses' behavior at the same time, it was possible to predict fairly accurately (9 times out of 10) how bosses *felt* about their subordinates' performance simply from how they *behaved* towards them. To paraphrase the well-known aphorism, "Tell me how subordinates see you behave, and I will tell you what you think of their performance."

These systematic differences in boss behavior were associated with very different feelings among subordinates, depending on whether they were seen as "higher" or "lower" performers. Specifically, those deemed "lower performers":

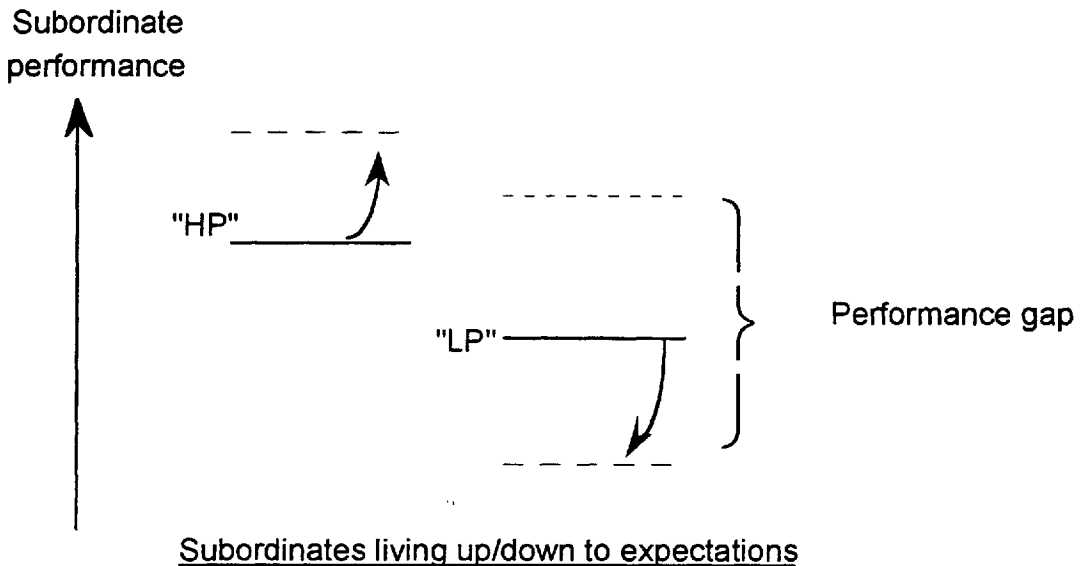
¹⁴ "Use of Quantitative Feedback by Superiors: Causes and Consequences", by Jean-François Manzoni, Unpublished Doctoral Dissertation, Harvard University Graduate School of Business Administration, 1993.

- saw their boss's use of performance measures as more punitive, more oriented toward putting pressure on them and less toward learning and problem solving,
- expressed more dissatisfaction with the way performance measures were used in the evaluation and reward process,
- felt that their boss had less confidence in their abilities (Pygmalion effect),
- were less trustful of their boss, and,
- rated their relationship with their boss as significantly poorer than those seen as higher performers.

Appendix II

Performance increases vs. decreases over time

The figure below shows how performance among subordinates tends to polarize, with some individuals ("Higher Performers") progressing while others ("Lower Performers") disconnect. We also highlight the performance gap which results from a subordinate living down to low expectations, as opposed to improving over time.



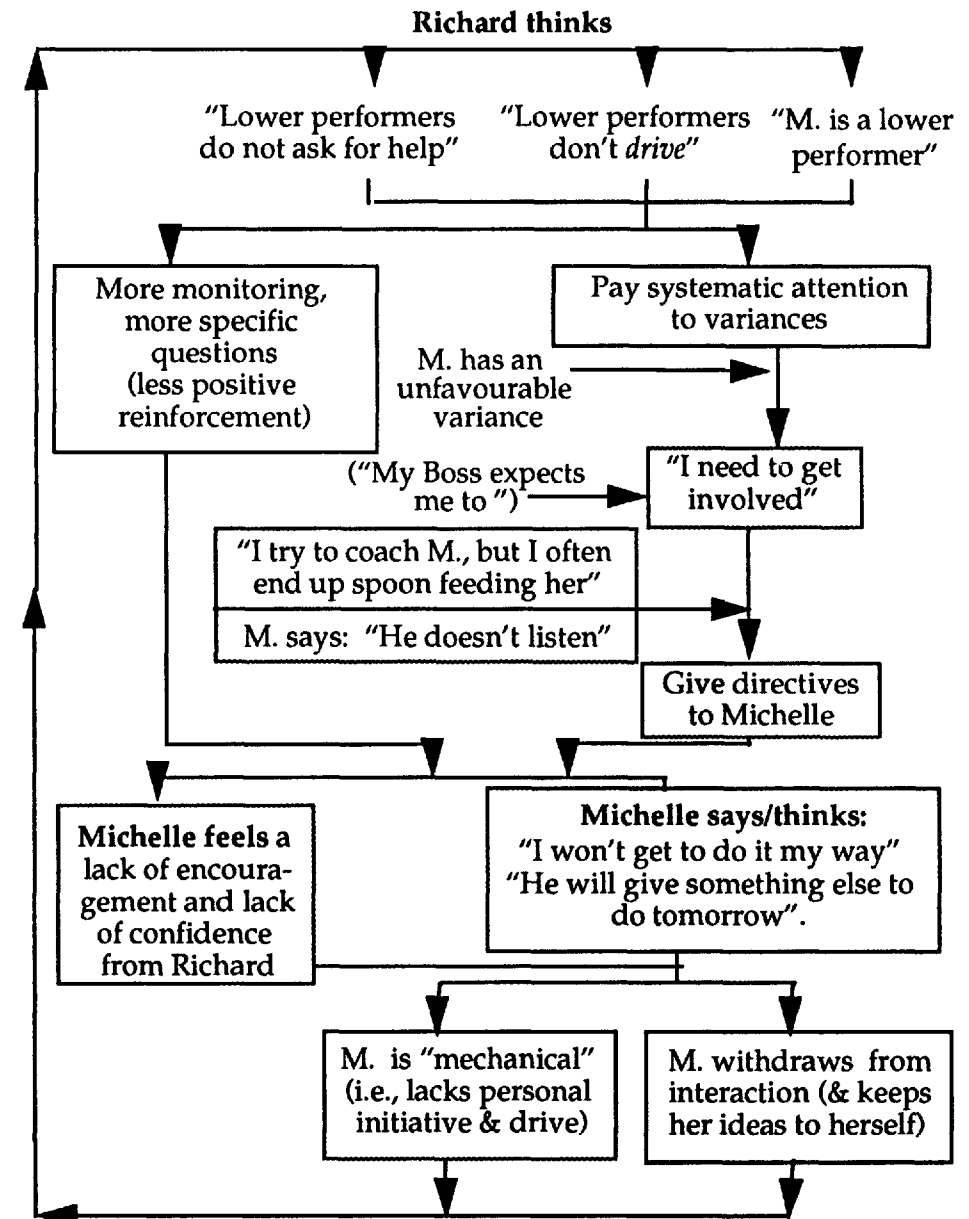
Appendix III Map of the Degenerating Spiral Triggered by the Boss

This map is one possible representation of the causal linkages between the various dimensions discussed in the article. Richard, the boss, regards his subordinate, Michelle as a less-than-excellent performer. He starts off with a theory of how “weaker performers” are likely to behave: they do not *drive* to excellence on their own (they need to be pushed to it and may try to evade accountability) and they may not ask for help when they get into trouble.

As a result Richard will perform more monitoring on Michelle, ask more specific questions to her, and generally provide less positive reinforcement than he would to a “better performer”. He will also pay more systematic and intense attention to unfavorable results reported by Michelle, which means that he will immediately notice when Michelle reports or encounters something that looks like a problem.

Believing that “Michelle will not ask for help even if she needs it and she will not drive to excellence on her own”, Richard will then want to get involved in the analysis and resolution of the problem faced by Michelle. This involvement is likely to end up involving clear directives as to what Richard wants Michelle to do. (Richard is busy and tends to be less patient with perceived weaker performers).

Subordinates on the receiving end of such behavior tend to give up on their hopes of personal autonomy and end up executing the boss’s directives in a mechanical and uninspired manner (“he never likes what I do, so I’ll just do it his way and get it over with”). The prospect of having to argue with the boss over the right course of action also leads subordinates to tend to keep their ideas to themselves and to avoid interactions with the boss. Note that *this is exactly the type of behavior that the boss expects of low performers*, which reinforces Richard’s belief that Michelle is indeed a lower performer who needs to be “led” to excellence.

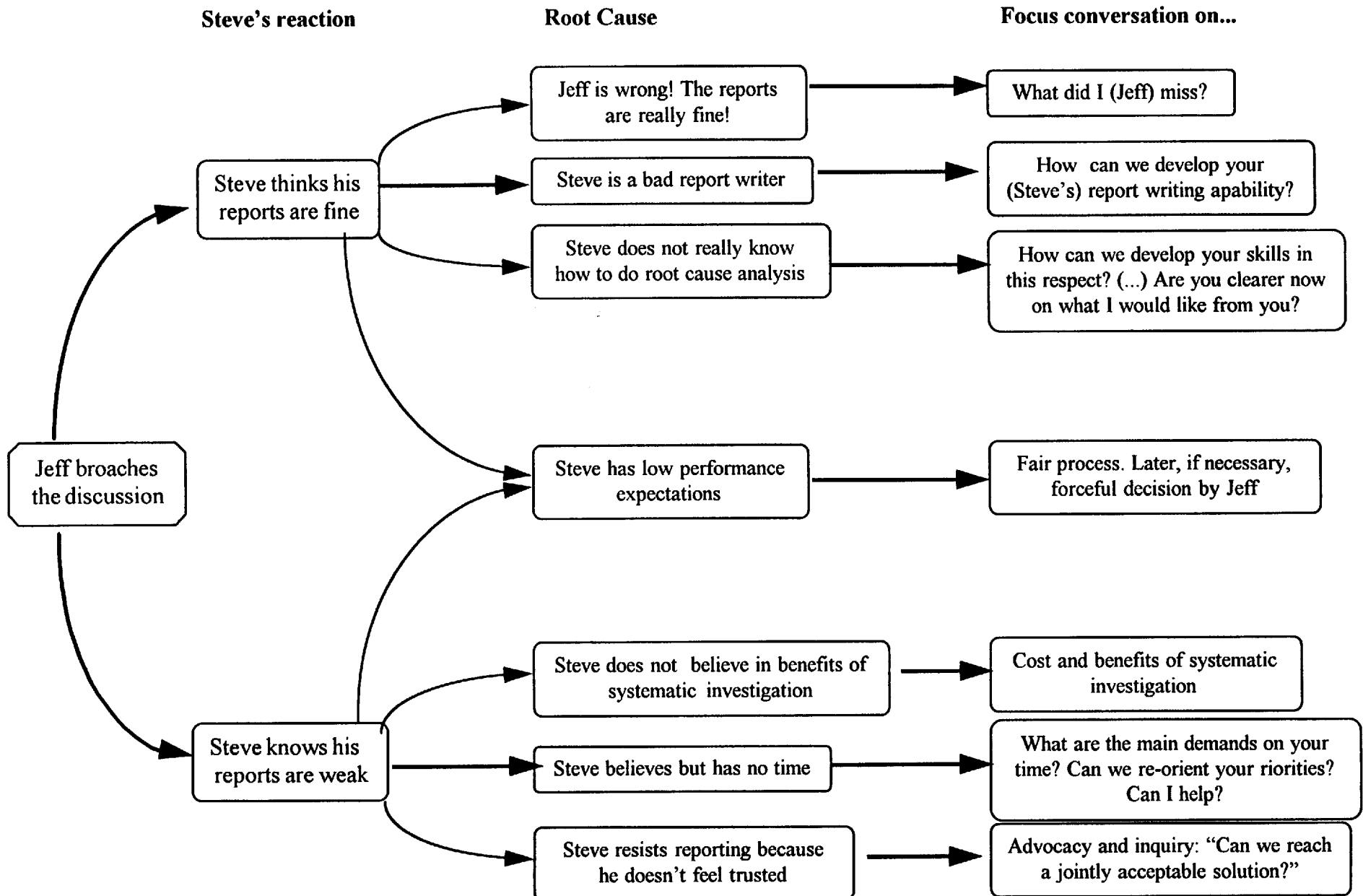


Appendix IV

Undermining performance in 8 easy steps

- 1) Type cast subordinates early into one of two sub-groups: "superior" and "weaker" performers.
- 2) Put a brave face on relations with the perceived weaker performers to avoid demotivating them by being too critical of their shortcomings.
- 3) Assume that the perceived weaker performers cannot detect your lack of confidence in them.
- 4) Step up your involvement in their area and increase monitoring to make sure that things get done.
- 5) Stop giving them the benefit of the doubt - oblige them to come to meetings armed with unassailable arguments and evidence.
- 6) Ignore signals of uneasiness - yours as well as the subordinate's. In particular, do not openly acknowledge that your confidence is decreasing.
- 7) Lay the blame for the deteriorating relationship on the subordinate. Come to terms with the 'fact' that "you just can't seem to understand him/her."
- 8) Try to "give the subordinate another chance", e.g., by trying to transfer him or her to a unit where there is a "better fit".

Appendix V: Discussion between Jeff and Steve



Appendix VI

More on Steve's case

Let's go back to Steve's story to illustrate how Jeff, the boss, might have approached the discussion. The first thing for Jeff to do is to decide where to hold the discussion. Depending on how often Jeff invites Steve into his office, Jeff might prefer the discussion to occur in a reasonably neutral and informal setting. Jeff could then open up the conversation with a statement like the following:

"We have been working together for some time, and we have never really discussed the way we work together. I'd like to talk about it today. I don't know how you feel about our relationship, and maybe you can tell me in a minute, but I think I should start the process and tell you how I feel. Basically I am starting to feel some uneasiness developing between the two of us. There are things I ask you to do, you don't always do them, then I get annoyed, and the more I get annoyed the more I realize I become impatient with you. Sometimes I guess I can even be unpleasant with you, and I don't like this. I would much prefer us to get along well and to have easy and pleasant communications. Now, am I the only one feeling this tension, or do you also feel it?"

Assuming Steve agrees..

"Now, there are a few things that you do that kind of irritate me. I would like to discuss them and, in particular, I would like to understand better your views on these issues. I want to say that I am quite open to the possibility that I may be contributing to the problems as I see them, so I would really like you to feel free to tell me what you think. I'm sure there are things that I do that irritate you as well, so we can discuss my own behavior as well, okay?"

Assuming Steve agrees..

"Maybe I can start with the main thing I have in mind, which is the issue of quality control rejections in the area, and how and when we follow up on these rejections. I asked you to send me regular reports on the causes of these rejections, and from where I sit the reports are not very helpful; I tend to get quite some time after the event, and the analysis of the causes is often fairly superficial, at least in my eyes. If you want I can illustrate what I mean, but I thought I would ask at a global level first, is my assessment unfair? Are you happy with your reports?"

[Jeff should have a few examples in mind and may have some documents handy if the meeting occurs in his office]. There are two possibilities at this point: Steve agrees that the reports are not very helpful, or he disagrees. In both cases Jeff must try to identify the root cause of the problem. Assume, for example, that Steve and Jeff are locked in a vicious circle such as the one described in Appendix III: Steve performs the systematic investigation but is not happy with having to report to Jeff on it, so he shows his discontent with a "passive resistance" technique (providing weak and belated reports). In this case Jeff could use a combination of *advocacy* and *inquiry*:

- advocating his views, e.g.,

(there are two fundamental reasons for my asking you to report back to me. One is that I need to have an idea of what's going on because my own boss sometimes asks me quite detailed questions. The other is that I know you are busy and I kind of thought that you would be more likely to perform the follow-up systematically if you had to report back to me on it, so I was trying to help you set priorities)

- inquiring into Steve's views, e.g.,

(what is it that bothers you about reporting back to me, is it the time it requires, the fact that it makes you feel I don't trust you?)

This combination of advocacy and inquiry is important for Jeff. The objective is not to tell Steve that "I trust you completely" if this is not the case. Sooner or later, Steve would see through this lie. If Jeff has good reasons (including past incidents) for thinking that Steve will not deliver on "promises", Jeff should bring them up to support his difficulties with "fully trusting" Steve. This is the *advocacy* part.

Jeff should also *inquire* into Steve's views, including about things that he (Jeff) does that lead Steve not to feel trusted. The objective of the discussion is to arrive at a jointly acceptable solution, where Steve feels he has enough leeway, and Jeff gets the information he needs and develops sufficient confidence that the rejections are appropriately investigated.

Improving the dyad's future problem solving ability

The formulation would depend on what was the cause of Steve's behavior. Assuming, for example, that Steve was feeling pressured to report on a task that he performed anyway, Jeff might say something like:

I'm glad we discussed this issue because I now have a better understanding of what happened and how we can improve the situation. The next question is: How do make sure that such a situation does not happen again?

If necessary, Jeff could go one step further and suggest the following:

In this case, I think what happened is that I asked you to investigate the rejections and report back to me; you didn't do it to my satisfaction. I assumed you didn't want to do it ; I did want you to do it so I started putting more pressure on you, which, I now understand, was the thing that annoyed you in the first place! I would like to propose the following deal for the future: Next time you seem not to be doing something that I would like you to do, I will try not to jump to conclusions and rather ask you what's happening. In turn, next time I ask you to do something that you disagree with, it would be great if you told me that you disagree! This way we could discuss things in real time, rather than both of us becoming increasingly annoyed with one another. Do you think you would be comfortable doing that?"

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